

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSPECTED SUB REPORT abdDATE FILED **5-16-85**

LAND FEE & PATENTED

STATE LEASE NO

PUBLIC LEASE NO **U-38350**

INDIAN

DRILLING APPROVED

5-24-85 - GAS

SPUDDED IN

COMPLETED

PUT TO PRODUCING

INITIAL PRODUCTION:

GRAVITY API

GOR

PRODUCING ZONES

TOTAL DEPTH

WELL ELEVATION:

DATE ABANDONED:

Application Rescinded 10-16-86

FIELD

WILDCAT

UNIT

DEATH HOLLOW

COUNTY

GARFIELD

WELL NO

DEATH HOLLOW UNIT CHARGER 5**API #43-017-30129**

LOCATION

2556' FNL FT FROM (N) (S) LINE.**762' FWL**

FT FROM (E) (W) LINE.

SW NW

1 4 - 1 4 SEC

32

TWP

RGE

SEC

OPERATOR

TWP

RGE

SEC

OPERATOR

32S**3E****32****MID-CONTINENT OIL & GAS**

MID-CONTINENT OIL

Executive Offices:

12700 Park Central Place, Suite 1404
Dallas, Texas 75251
214/233-3380 • 214/233-3381

RECEIVED

MAY 16 1985

DIVISION OF OIL
GAS & MINING

May 14, 1985

Division of Oil, Gas & Mining
State of Utah
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Sirs:

Re: Filing NTL-6 and APD #9-331C
Mid-Continent Oil & Gas Reserves Inc.
#5 Charger
Sec. 32, T32S-R3E
SW/4NW/4W/2
Garfield County, Utah

Please find enclosed three copies of the Application for Permit to Drill and the NTL-6 for the above-captioned well.

Your prompt attention to this Permit would be greatly appreciated.

Thank you for your assistance in this matter.

If you have any questions, please do not hesitate to contact me.

Sincerely,


S. B. Sparks
Corporate Secretary

Enclosures

cc: Arco Exploration
John D. Slawter

Certified RRR # P 246 049 730

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYMAY 16 1985
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DIVISION OF <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> b. TYPE OF WELL GAS & MINING <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-38350	
2. NAME OF OPERATOR Mid-Continent Oil & Gas Reserves, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
3. ADDRESS OF OPERATOR 12700 Park Central Pl., Suite 1404, Dallas, TX. 75251		7. UNIT AGREEMENT NAME Death Hollow Unit	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface SW/4NW/4W/2, Sec. 32, T32S, R3E SLM At proposed prod. zone 762' FWL, 2556' FNL same		8. FARM OR LEASE NAME Charger	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18.1 miles north of Escalante, Utah		9. WELL NO. Charger #5	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg unit lide, if any) 762'		10. FIELD AND POOL, OR WILDCAT WILDCAT Sunrise Field	
16. NO. OF ACRES IN LEASE 480		11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA Sec. 32, T32S, R3E	
17. NO. OF ACRES ASSIGNED TO THIS WELL 80+		12. COUNTY OR PARISH Garfield	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. - - -		13. STATE Utah	
19. PROPOSED DEPTH 3800' + <i>Cedron</i>		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 9204.6 GR		22. APPROX. DATE WORK WILL START* June 1, 1985	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
20"	13-3/8" new or used	54.5#	120'	cement in place
12-1/4"	9-5/8" new or used	36#K-55	ST&C 1350'	250 sxs Class "H" 3% Cacl ₂
8-3/4"	5 1/2" new, K-55	15.5#LT&C	3800'	*See page attached

1. Drill 20" hole and set 120' interval of conductor pipe & cement in place.
2. Drill 12 1/4" hole & set 9-5/8" surface casing to 1350' with good returns.
3. Log B.O.P. checks in daily drill reports and drill 8-3/4" hole to 3800'.
4. Run tests if warranted and run 5 1/2" casing if productive.
5. Run logs, as needed, and perforate and stimulate as needed.

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" The 10-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" The Multi-Point Requirements of A.P.D.
- "E" & E₁" Access Road Maps to Location
- "F" Radius Map of Field
- "G" & G₁" Drill Pad Layout, Production Facilities & Cut-Fill CrossSection
- "H" Drill Rig Layout
- "I" Unusual Environmental Assessment

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

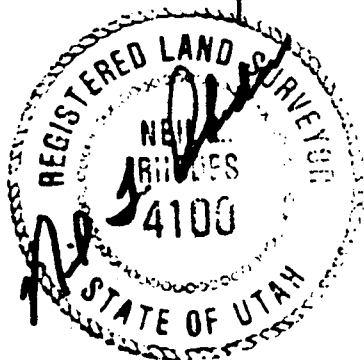
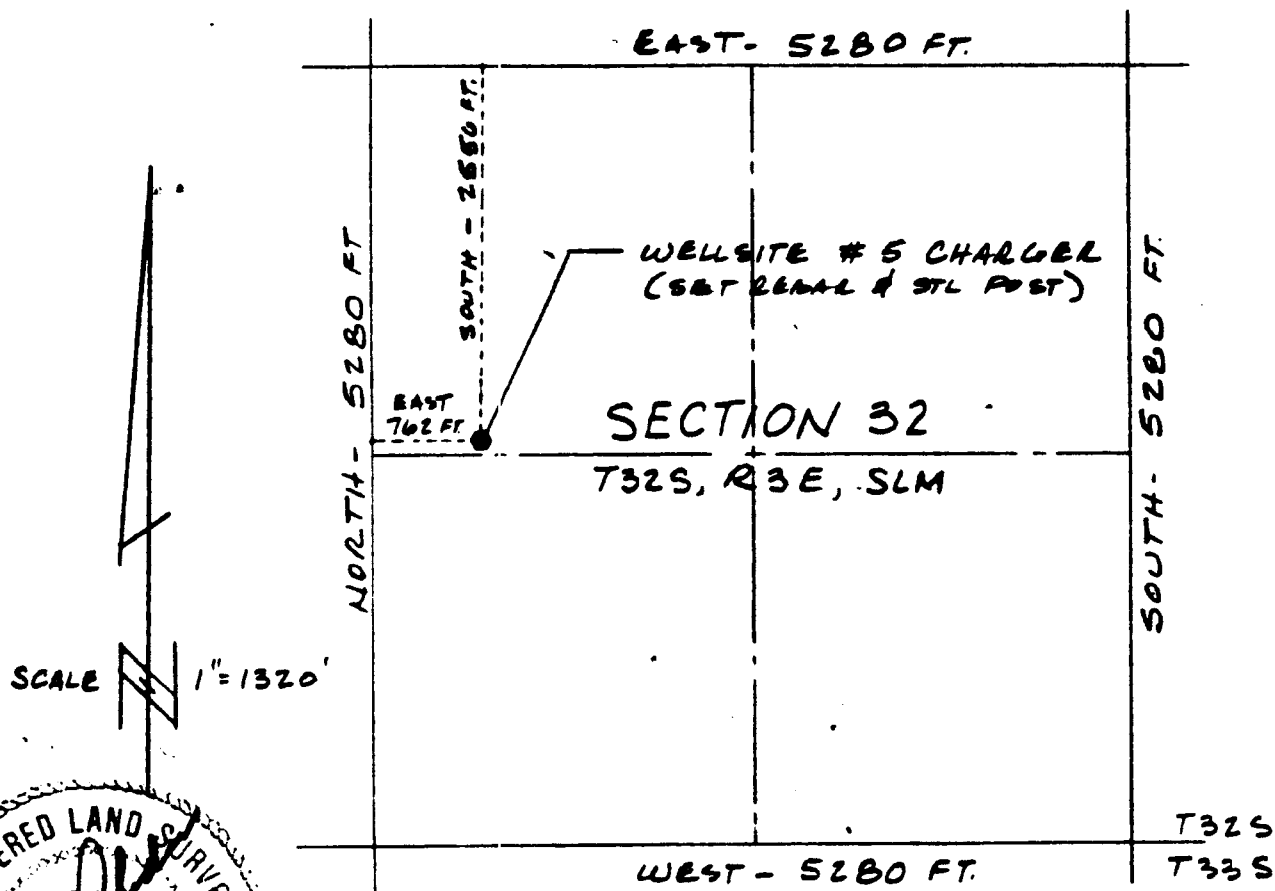
24. SIGNED *John D. Slawter* TITLE President DATE 5-6-85
(This space for Federal or State office use)

PERMIT NO. _____

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY.APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MININGDATE 5/24/85BY *John R. Borg*WELL SPACING: A-3 Unit Well

*See Instructions On Reverse Side

OPERATOR: Mid-Continent Oil Company
 WELL NUMBER: #5 Charger
 LOCATION: Section 32, T32S, R3E, SLM
 COUNTY: Garfield
 STATE: Utah
 ELEVATION: Ground = 9204.6



REF marker (rebar) & steel post - located
 N 30°49'53" E, 123.72 ft. from the center
 of well.

Note: This well site falls within an unsurveyed
 area and the sectional ties shown are based on BLM
 protraction diagrams as they relate to section 25,
 T33S, R3E, SLM.

BULLOCK BROS.
ENGINEERING INC.
 CEDAR CITY, UTAH

WELL LOCATION
 MAP FOR
 #5 CHARGER
 Mid-Continent Oil Company

DATE 11/16/84
 SCALE 1" = 1320'
 DRAWN N.L. R...

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM

OF NTL-6 APPROVAL OF OPERATIONS

Attached to Form 9-331 C
Mid-Continent Oil & Gas Reserves, Inc.
#5 Charger
SW/4NW/4W/2, Sec. 32, T32S, R3E
Garfield County, Utah

1. The Geologic Surface Formation

The surface formation is the Navajo Sandstone.

2. Estimated Tops of Important Geologic Markers

Chinle	1000'
Shinarump	1446'
Moenkopi	1700'
Timpoweap	2365'
Kaibab	2460'
Toroweap-White Rim	2640'
Organ Rock	3220'
Cedar Mesa	3700'
Total Depth	3800'

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Shinarump	1447'	Gas
Timpoweap	2370'	Gas
Kaibab	2460'	Gas
Toroweap-White Rim	2640'	Gas
Cedar Mesa	3700	Gas

No water will be encountered.

4. The Proposed Casing Program

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SECTION LENGTH</u>	<u>SIZE (OD)</u>	<u>WEIGHT, GRADE & JOINT</u>	<u>NEW OR USED</u>
20"	0-120'	120'	13-3/8"	54.5#	Either
12 1/4"	0-1350'	1350'	9-5/8"	36#K-55 ST&C	Either
8-3/4"	0-3800'	3800'	5-1/2"	15.5# K-55LT&C	New

Cement Program -

Conductor Pipe: Cement to surface with ready mixed concrete.

Surface Casing: Cement with 250 sacks, Class H, 3% CaCl₂

Production Casing: Cement with 250 sacks, Class H, 3% CaCl₂

5. The Operator's Minimum Specifications for Pressure Control

EXHIBIT "C" is a schematic diagram of the blowout preventer equipment. The BOP's will be hydraulically tested to half of working pressure after nipping up and after any use under pressure. Pipe rams will be operationally checked each 24-hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Such checks of BOP will be noted on daily drilling reports.

Accessories to BOP will include a kelly cock, floor safety valve, drill string BOP and choke manifold with pressure rating equivalent to the BOP stack.

6. The Type and Characteristics of the Proposed Circulating Muds

This well will be drilled with air mist from surface to total depth. Exhaust will be muffled. Other materials will be on site to handle any anticipated downhole problems as well as possible spills of fluid on the surface. If water flow is encountered, the well will be drilled with mud.

<u>DEPTH</u>	<u>TYPE</u>	<u>WEIGHT #/gal.</u>	<u>VISCOSITY-sec./qt.</u>	<u>FLUID LOSS cc</u>
0-3800'	Gel-chem	9	35 - 40	N/C

7. The Auxiliary Equipment to be Used

(a) A kelly cock will be kept in the string.

- (b) A float will not be used at the bit.
- (c) A gas detecting device will be monitoring the system.
- (d) A stabbing valve will be on the floor to be stabbed into the drill pipe when kelly is not in the string.

8. The Testing, Logging and Coring Programs to be Followed

- (a) Drill Stem Tests will be determined during drilling.
- (b) The logging program will consist of the following:

Gamma-Ray Neutron	Surface - TD
Density	Surface - TD

Other logs will be determined at site to best evaluate any shows.
- (c) No coring is anticipated.
- (d) Stimulation procedures will be determined after evaluation of logs. If treatment is indicated, appropriate Sundry Notice will be submitted for approval.

9. Any Anticipated Abnormal Pressures or Temperatures

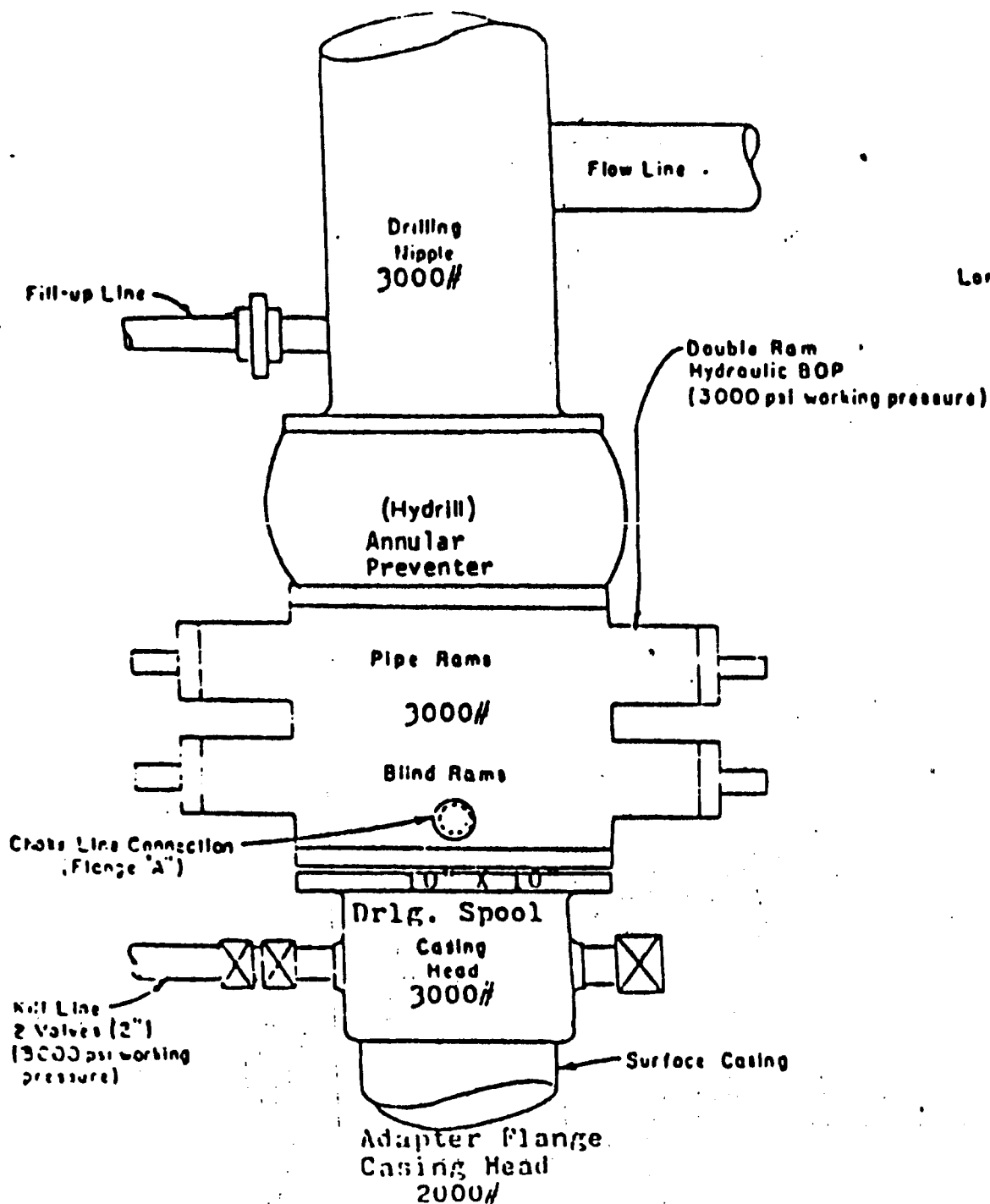
No abnormal pressures or temperatures have been noted or reported in the three wells drilled. The reservoir temperature ranges from 82° to 84° Fahrenheit. Bottom hole pressure expected is 190 psi.

Hydorgen sulfide (H₂S) has been recorded in Charger wells #2 and #4 up to a maximum of 50 parts per MM. However, the chemical and physical analysis did not detect any H₂S. A conclusion to date has been reached that the H₂S zone was extremely limited and short lived to a point that within minutes, the parts per MM of H₂S again reached zero parts per MM.

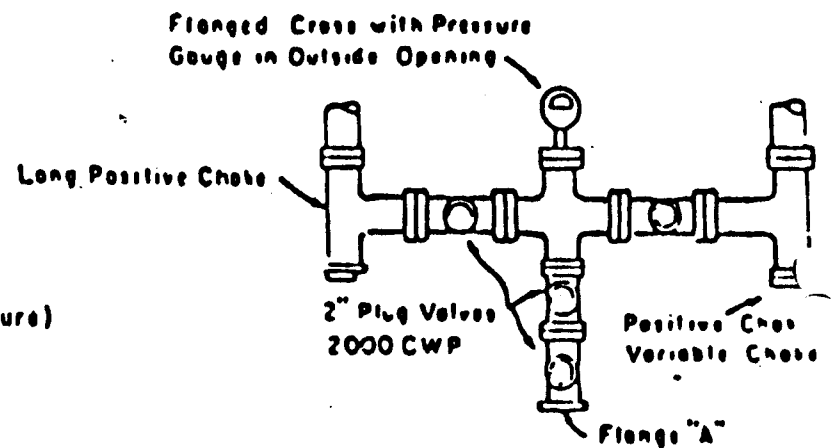
10. Anticipated Starting Date Duration of the Operations

The anticipated starting date is set for June 1, 1985 or as soon as possible after examination and approval of drilling requirements. Operations should be completed within 20 days after spudding the well to casing point.

* TO BE COMPLETED OPEN HOLE WITH A SEQUENCE OF METAL-CANVAS
BASKETS SET AT NON-PRODUCING INTERVALS AND CEMENTED.



Stack to have H₂S trim



PLAN VIEW-CHOKE MANIFOLD

EXHIBIT "D"

MULTI-POINT REQUIREMENTS TO ACCOMPANY A.P.D.

Attached to Form 9-331C
Mid-Continent Oil & Gas Reserves, Inc.
#5 Charger
SW/4NW/4W/2, Sec. 32, T32S, R3E
Garfield County, Utah

1. Existing Roads

- A. The proposed well site and elevation plat is shown as Exhibit "A". Staking including two directional reference stakes and elevations, also shown as Exhibit "A".
- B. The distance from Escalante, Utah is 18.1 miles. Begin in Escalante, Utah and proceed 11.8 miles north on the Hells Backbone Road to the junction with the Posey Lake Road. Thence North on the Hells Back Bone Road 6.2 miles to an intersection road which leads west to the Charger #5 drill site, which is located one-tenth of one mile in a Westerly direction. The location is on the right hand or north side of the old Phillips Road, east of the Phillips Petroleum.No. 1 drill site.
- C. All roads to the location are color-coded on EXHIBITS "E" & E1.
- D. This is an extension well. All existing roads within a three mile radius are shown on EXHIBIT "E".
- E. N/A.
- F. The existing road from Escalante along the Hells Back Bone Road is constructed of gravel and is in good repair. The intersecting road to the old Phillips No. 1 is also in good repair.

2. Planned Access Roads

None. No additional access is needed.

A. Production

- (1) If the well is successful and production commences, Mid-Continent Oil agrees to keep the road access graded with proper drainage.

3. Location of Existing Wells

For all existing wells within a one-mile radius of Exploratory Well, see EXHIBIT "F".

- (1) There are no water wells within a one-mile radius of this location.
- (2) There is one abandoned well in this one-mile radius.
- (3) There are no temporarily abandoned wells.
- (4) There are no disposal wells.
- (5) There are no wells presently being drilled.
- (6) There are two wells capable of producing within this one mile radius.
- (7) There are two wells shut in within a one mile radius. (Production will commence when contracts have been negotiated and executed).
- (8) There are no injection wells.
- (9) There are no monitoring or observation wells for other uses.

4. Location of Existing and/or Proposed Facilities

A. Within a one-mile radius of location, the following existing are owned or controlled by Mid-Continent Oil or other lessee/operator:

- (1) Tank Battery; None
- (2) Production Facilities: None
- (3) Oil Gathering Lines: None
- (4) Gas Gathering Lines: None
- (5) Injection Lines: None
- (6) Disposal Lines: None

B. If production is obtained, new facilities will be as follows:

- (1) Production facilities will be located on solid ground of cut area of drill pad, as shown on Exhibit "G"
 - (2) All well flow lines will be buried.
 - (3) Production facilities will be 245 feet long and 135 feet wide. Areas of drill pad not required for production facilities will be rehabilitated.
 - (4) No tank batteries will be needed.
 - (5) Any necessary pits will be fenced and flagged to protect livestock and wildlife.
- C. Rehabilitation, whether well is productive or dry, will be made on all unused areas in accordance with U.S.F.S. stipulations.

5. Location and Type of Water Source

- A. Only enough water will be needed while drilling either on mud or air-mist and for drinking water for personnel on location. Seventy percent or more of the well will be drilled on air (no water needed).
- B. Water exists in Sand Creek, approximately one mile north of the location. Water permit will be obtained from the State of Utah, Natural Resources & Energy.
- C. No water well is to be drilled on this lease.

6. Construction Materials

- A. No construction materials are needed for drilling well or constructing access roads into the location during drilling. The surface soil materials will be sufficient.
- B. No construction materials will be taken off Federal land.
- C. All surface soil materials for construction of access roads for drilling are sufficient. If well is productive, and material from road and pad is not sufficient, surfacing materials will be provided by Lincoln Lyman Construction Company of Escalante, Utah.
- D. All major access roads presently exist as shown on EXHIBIT "E".

7. Handling of Waste Materials and Disposal

- (1) Drill cuttings will be buried in the reserve pit.
- (2) Drilling fluids will be handled in the reserve pit.
- (3) No fluids should be encountered; however, if any fluids are produced during drilling test or while making production test, they will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in reserve pit. Any spills of oil, gas, salt waters, or other noxious fluids will be cleaned up and removed. If well is productive, produced water will be disposed of on-site for 30 days only, or 90 days with permission of District Engineer. After that time, application will be made for approval or permanent disposal method in compliance with NTL-2b.
- (4) Portable chemical facilities will be provided for human waste.
- (5) Garbage and non-flammable waste and salt and other chemicals produced during drilling or testing will be handled in trash cage. Drill fluids, water, drilling mud and tailings will be kept in reserve pit, as shown on EXHIBIT "H". The trash cage will be totally enclosed with small mesh wire to prevent wind scattering trash before being buried or removed. Reserve pit will be fenced on three sides during drilling and fourth side fenced upon removal of the rig.
- (6) After the rig moves out, all materials will be cleaned up and no adverse materials will be left on location. All dangerous open pits will be fenced during drilling and kept closed until such time as the pit is leveled.

8. Ancillary Facilities

No air strip, camp or other facilities will be built during drilling of this well.

9. Well Site Layout

- (1) EXHIBIT "G" is the Drill Pad Layout as staked, with elevations, by Bulloch Bros. Engineering, Inc., Cedar City, Utah. Cuts and fills have been drafted to visualize the planned cut across the location spot and to the deepest part of the pad. Topsoil is 8" deep and will be stockpiled, as shown on EXHIBIT "G".

- (2) EXHIBIT "H" is a plan diagram of the proposed rig and equipment, reserve pit, trash cage, pipe racks and mud tanks, access road, parking and turnaround. No permanent living facilities are planned. There will be a trailer on site.
- (3) EXHIBIT "G" is a diagram showing the proposed production facilities layout.
- (4) The reserve pits will not be lined.

10. Plans for Restoration

- (1) If well is abandoned, site will be restored to original condition as nearly as possible. Backfilling, leveling and contouring are planned as soon as all pits have dried. Waste disposal and spoils materials will be buried or hauled away to an approved sanitary landfill immediately after drilling is completed. If production is obtained, the unused area will be restored as soon as possible.
- (2) The soil banked material will be spread over the area. Revegetation will be accomplished by planting mixed grasses as per formula provided by the U.S.F.S. Revegetation is recommended for road area, as well as around drill pad.
- (3) Three sides of the reserve pit will be fenced during drilling operations. Prior to rig release, the reserve pit will be fenced on the fourth side to prevent livestock or wildlife from entering; and the fencing will be maintained until leveling and cleanup are accomplished.
- (4) If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substances will be flagged overhead or covered with wire mesh.
- (5) The rehabilitation operations will begin immediately after the drilling rig is removed. Removal of oil or other adverse substances will begin immediately or area will be flagged and fenced. Other cleanup will be done as needed. Planting and revegetation is considered best in Spring, 1986, unless requested otherwise.

11. Other Information

- (1) The location lies in the Canyon Lands section of the Colorado Plateau Province.

The pad is situated on the crest of a ridge running northeast-southwest.

Soil is loam with rocks and boulders throughout.

The area is a ponderosa pine belt with manzanita bush. Deer, elk, coyotes, cougar, small rodents and birds inhabit the area.

- (2) The primary surface use is for forestry and recreation. The surface is owned by the U. S. Government. U.S.F.S. ownership of access roads is shown on EXHIBIT "E". There is no private ownership of access roads.
- (3) The closest live water is the Sand Creek, approximately 1 mile north of the location, as shown on EXHIBIT E".

The closest occupied dwelling is located in Escalante, Utah, 18 miles southeast of the proposed site, as shown on EXHIBIT "E".

There are no archaeological, historical, or other cultural artifacts apparent to Bulloch's surveyors during their staking of this location. An Unusual Environmental Assessment was prepared by the Department of the Interior on August 29, 1980, for the area to the north in Section 29, T32S-R3E where the #1 Charger was completed. This should apply to the #5 Charger.

- (4) There are no reported restrictions or reservations noted on the oil and gas lease.
- (5) Drilling is planned for on or about June 1, 1985. It is anticipated that the casing point will be reached within 20 days after commencement of drilling.

12. Lessee's or Operator's Representative

Bill D. Crismon
Agent Consultant for
Mid-Continent Oil & Gas Reserves, Inc.
652 So. Nile Way
Aurora, Colorado 80012
Phone: (303) 364-8989

John D. Slawter, President
Mid-Continent Oil & Gas
Reserves, Inc.
12700 Park Central Place,
Suite 1404
Dallas, Texas 75251
Phone: (214) 233-3380

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge,

true and correct; and that the work associated with the operations proposed herein will be performed by Mid-Continent Oil and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

5-6-85
Date

Bill D. Crismon
Bill D. Crismon
Agent Consultant for
Mid-Continent Oil & Gas
Reserves, Inc.

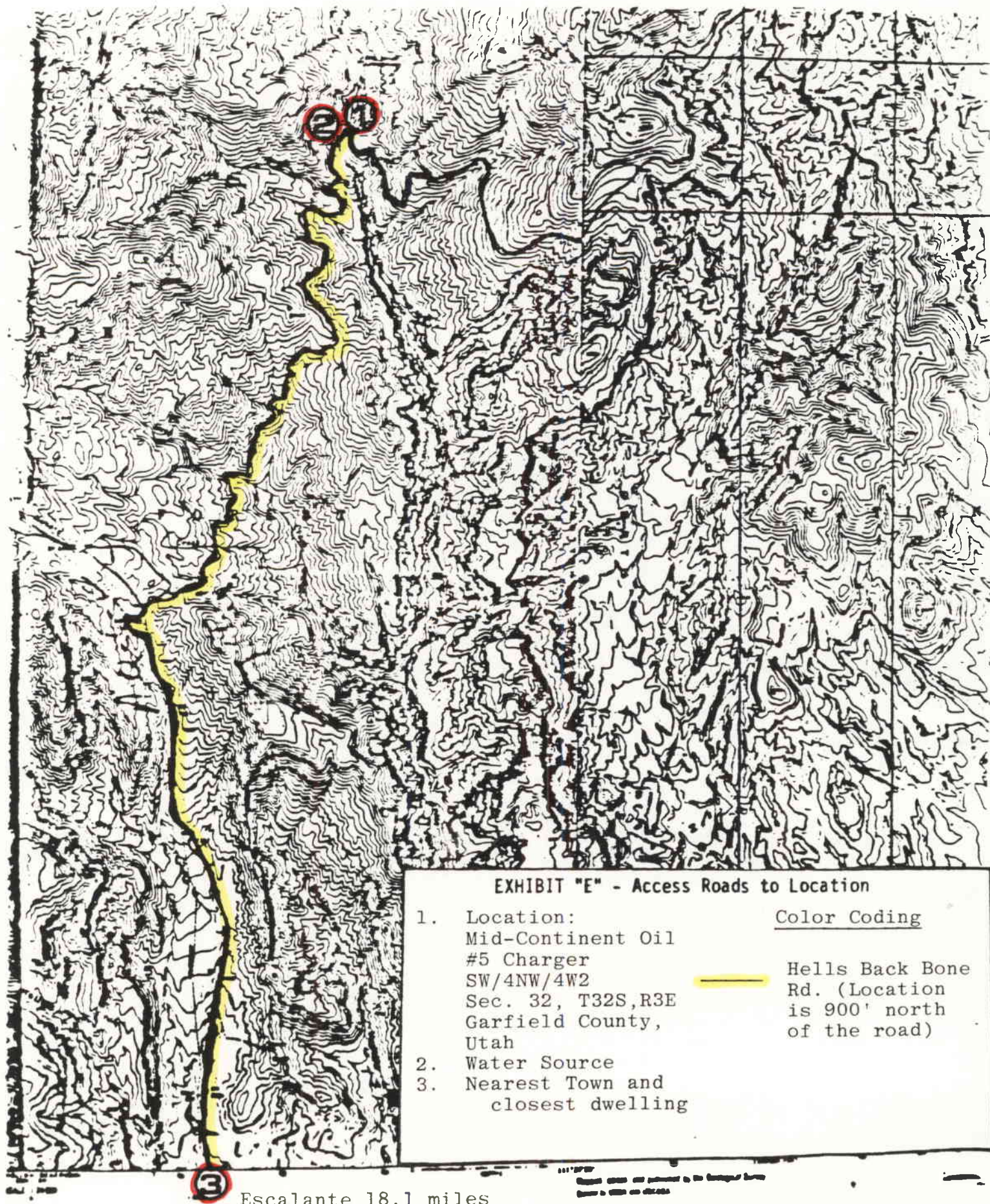



EXHIBIT "E₁"

Detail of Access Road

1. Location:
Mid-Continent Oil
#5 Charger
SW/4NW/4W2
Sec. 32, T32S, R3E
Garfield County
Utah

Color Coding

 Hells Back Bone Rd.
(one lane dirt)
Location is 900' N
of road & 1000' SW
of Phillips No. 1

9000
FEET

4707

4706

4705

4704

4703

4702

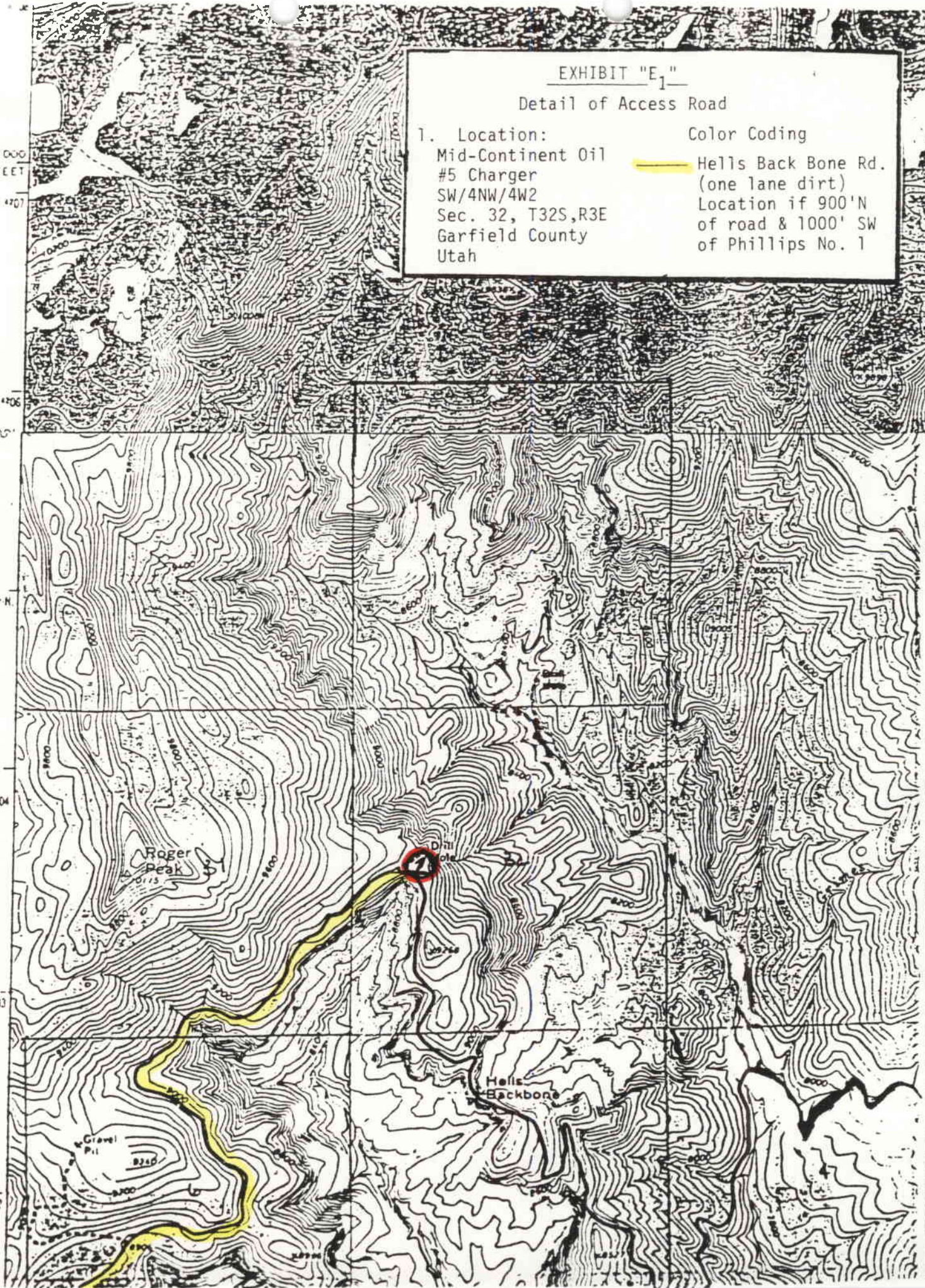
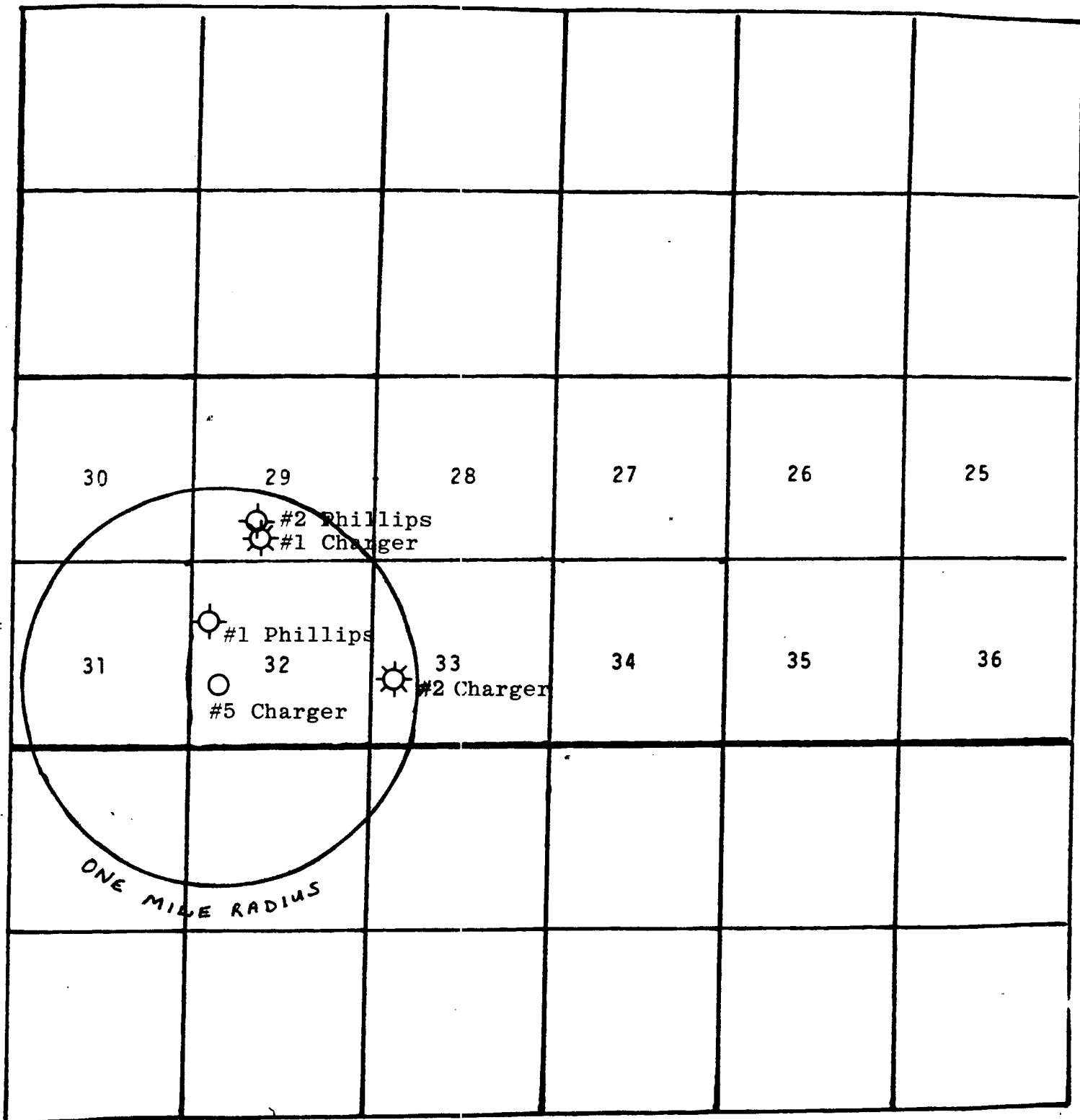


EXHIBIT "F"
Radius Map of Area

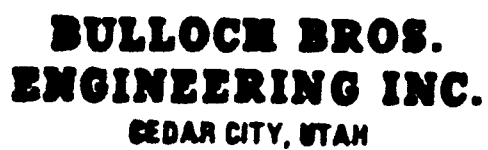
R3E



LEGEND

- | | |
|-----------------------|----------------------------|
| ○ LOCATION | ⊙ DRILLING |
| ✦ DRY HOLE | ✱ OIL & GAS WELL |
| ● OIL WELL | ✱ ABANDONED OIL & GAS WELL |
| ✦ ABANDONED OIL WELL | ⚙ GAS WELL |
| ▲ TRIANGULATION POINT | ✱ ABANDONED GAS WELL |
| | ☐ WATER WELL |

Mid-Continent Oil & Gas
Reserves, Inc.
#5 Charger
SW/4NW/4W/2
Sec. 32, T32S, R3E
Garfield County, Utah



#5 CHARGER
(MID-CONTINENT OIL CO)

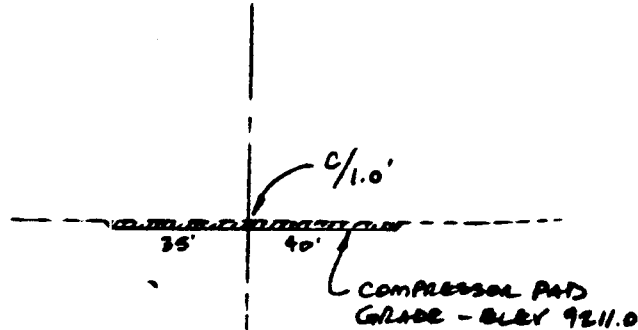
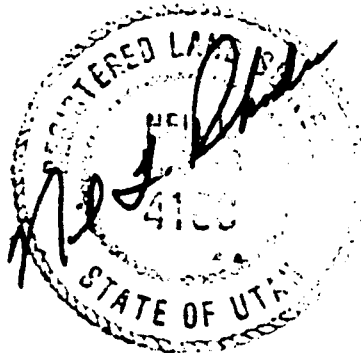
DATE 11/15/84
SCALE 1"=50'
DRAWN N.L. Rhodes

SCALE — 1" = 50' = HORIZ
1" = 50' = VERTICAL

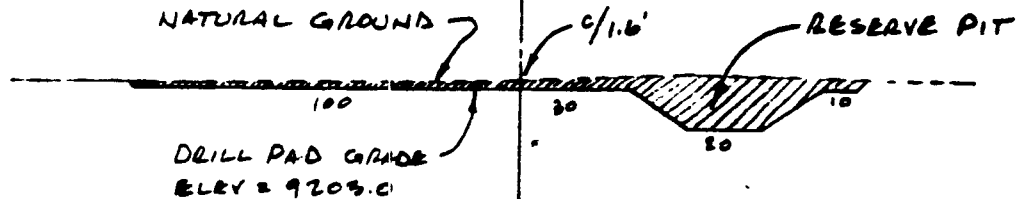
----- = EXISTING GROUND SURFACE
————— = PROPOSED GRADE

TOTAL CUT = 3170 CUBIC YARDS

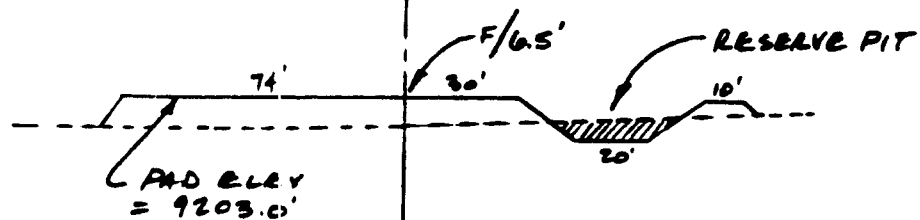
TOTAL FILL = 2380 CUBIC YARDS



SECTION CC



SECTION BB



SECTION AA

**BULLOCK BROS.
ENGINEERING INC.**
CEDAR CITY, UTAH

DRILL PAD SECTIONS
FOR

#5 CHARGER
MID CONTINENT OIL CO
SEC 22, T22S, R3E, S4M

DATE 11/16/84

SCALE 1" = 50'

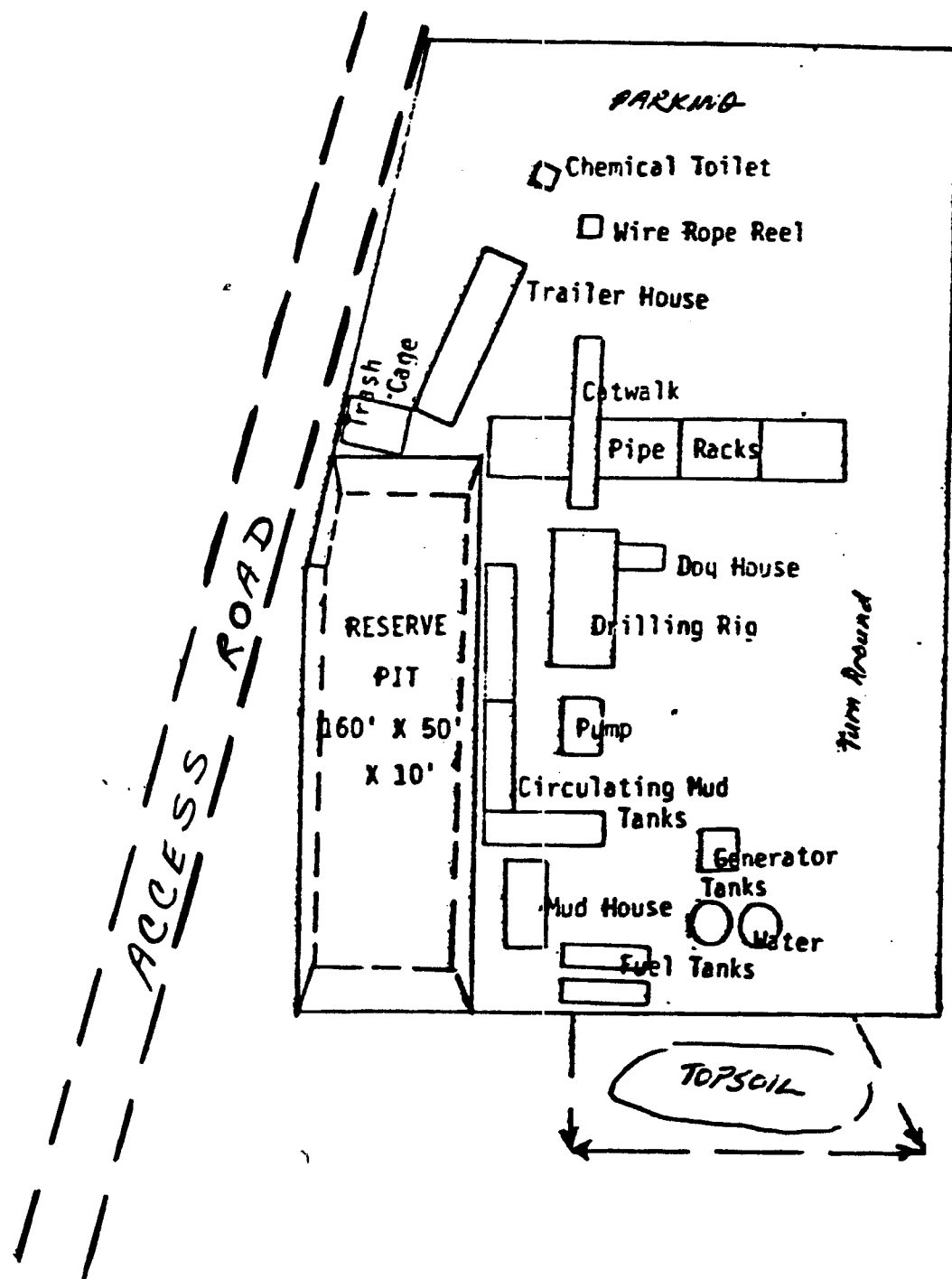
DRAWN N. L. RHODES

Mid-Continent Oil & Gas Reserves, Inc.
#5 Charger
SW/4NW/4W2
Sec. 32, T32S, R3E
Garfield County, Utah

EXHIBIT "H"

Drill Rig Layout

Scale 1" = 50'



Oil and Gas Drilling

EA No. 575-80

United States Department of the Interior
Geological Survey
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

USUAL ENVIRONMENTAL ASSESSMENT

Date August 29, 1980

Operator ARCO Oil & Gas Co. Well No. Escalante #2
Location 682' FSL, 2384' FWL Section 29 Township 32S Range 3E
County Garfield State Utah Field/Unit Wildcat
Lease No. U-38347 Permit No. _____

Prepared by: Glenn M. Doyle
Environmental Scientist
Grand Junction, Colorado

Joint Field Inspection Date: August 8, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Glenn Doyle</u>	<u>U. S. Geological Survey</u>
<u>Millard Dumas</u>	<u>U. S. Forest Service</u>
<u>Lincoln Lyman</u>	<u>Dirt Contractor</u>
<u>Jack McCarthy</u>	<u>Operator</u>
_____	_____
_____	_____

Typing In: 8/29
Out: 9/5

Related Environmental Documents:

USFS Natural Resources Input, Dixie National Forest.

*Admin Comp 2
Per 120 x 180
Pd 14 x 40
1 mi x 18' upgrade road
2/10 ac
Cand Page 1-4
And check T&E book
USFS*

DESCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah
County: Garfield

682 ' F S L, 2384 ' F W L, SE ¼ SW ¼

Section 29, T32S, R3E, SLBM

2. Surface Ownership Location: Public
Access Road: Public

Status of Reclamation Agreements: Not Applicable

3. Dates APD Filed: July 14, 1980
APD Technically Complete: July 24, 1980
APD Administratively Complete: *July 14, 1980*

4. Project Time Frame Starting Date: September 1980
Duration of drilling activities: 21 days.

A period of 30 to 60 days is normally necessary to complete a well for production if hydrocarbons are discovered. If a dry hole is drilled, recontouring and reseeding would normally occur within one year; revegetation or restoration may take several years. If the well is a producer, an indefinite period of time would occur between completion and rehabilitation.

5. Related actions of other federal or state agencies and Indian tribes:

None known

6. Nearby pending actions which may affect or be affected by the proposed action:

None known

7. Status of variance requests:

None known

The following elements of the proposed action would/could result in environmental impacts:

1. A drill pad 120' wide x 180' long and a reserve pit 14' x 40' would be constructed on a previously constructed wellsite. Approximately one mile of existing road would be reconstructed to an average width of 18'. Culverts will be installed as specified by the Forest Service. Approximately 2.18 acres of disturbed surface would be associated with the project.

A workover rig will be used to drill out the existing cement plugs in the hole. ARCO plans to test for CO₂ gas.

2. Drilling to a depth of 3300'.

3. Waste disposal would be contained in a trash pit.
4. Traffic would be restricted to existing roads and the disturbed surface of the pad only.
5. Water requirements
6. Completion
7. Production

Details of the proposed action are described in the Application for Permit to Drill.

The access road would be designed as per USFS recommendations.

Environmental Considerations of the Proposed Action:

Regional Setting/Topography - The wellsite lies on an erosional slope at the base of cliffs which flank the Aquarius Plateau on the east. Regionally, steep topography surrounds the site, eventually grading into deeply-incised canyonlands-type relief.

PARAMETER

A. Geology - Surface is the Navajo Sandstone. Other formations are listed in the 10-Point Subsurface Plan.

Information Source: Application to Drill.

1. Other Local Mineral Resources to be Protected: None reported.

Information Source: ME, District Geologist.

2. Hazards:

a. Land Stability: Location and access built on Navajo Sandstone. Material is stable, provided the slopes are moderate and moisture content is low.

Information Source: Field observation.

b. Subsidence: Subsidence ^{could} occur with the withdrawal of oil, gas, and/or water.

Information Source: Keller, Edward A., 1976, Environmental geology, Charles E. Merrill, 488 pp.

c. Seismicity: Seismic risk: low. Statistically, greatest damage would be moderate, corresponding to intensity VII of Modified Mercalli Intensity Scale, 1931.

Information Source: Algermissen, S. T., and Perkins, David M., 1977, Earthquake hazards map of the United States, Reprint from Earthquake Information Bulletin, 9(1) Jan-Feb., 4 pp.;

Perkins, David M., 1974, Seismic risk maps, Reprint of Earthquake information bulletin, 6(6) Nov-Dec.; von Hake, Carl A., Earthquake History of Utah, NCAA.

- d. High Pressure Zones/Blowout Prevention: No high pressure zones expected. Blowout prevention systems detailed in APD.

Information Source: Application to Drill.

B. Soils

1. Soil Character: Soils are of a sandy-loam texture, probably well-drained and slightly alkalic, and support the subalpine-alpine pine and aspen communities.

Information Source: Field observation.

2. Erosion/Sedimentation: Erosion/sedimentation would increase as would runoff potential. Extent of increases unpredictable without site-specific studies being done. Waterbarring of the roads, ditching of the sides, and the installation of culverts as per USFS specifications would minimize erosion and runoff.

Information Source: Field observation.

- C. Air Quality - Well site lies in Class II attainment area. No Class I attainment areas are near, or adjacent to, proposed location.

Information Source: State of Utah

- D. Noise Levels - Ambient noise levels will be temporarily increased over the duration of drilling activity. Wildlife will avoid immediate area. After well completion, if well is dry hole, noise levels will return to nearly the predrill ambient levels. If the well produces marketable quantities of oil or gas, noise levels will rise periodically above predrill ambient levels.

Information Source: Field observation.

E. Water Resources

1. Hydrologic Character

- a. Surface Waters: No significant impacts to surface water systems are expected, provided the operator maintains all adverse substances either on the pad or in a fluid-tight reserve pit. Minor increases in sediment load, resulting in siltation/sedimentation, could occur in nearby intermittent drainages.

Information Source: Field observation.

- b. Groundwaters: The White Rim Sandstone, the Navajo, and the Wingate Formations may contain usable waters which should be sampled if encountered.

Information Source: ME, District Geologist.

2. Water Quality

a. Surface Waters: Impacts to surface water quality are judged as insignificant, provided the operator maintains a fluid-tight reserve pit.

Information Source: Field observation.

b. Groundwaters: Operator proposes 1076' of surface casing. Commingling of drilling fluids with potentially usable water could render groundwater unusable. Pits would be unlined.

Information Source: Application to Drill and Field observation.

F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the field comments received from the USFS on August 8, 1980, we determine that there would be no effect on endangered and threatened species and/or their critical habitat.

2. Flora: Construction would remove about 2.18 acres of vegetation increasing potential for non-point erosion and decreasing soil fertility.

Information Source: Field observation.

3. Fauna: Vegetation removal reduces wildlife habitats and food sources. Deer are not known to winter in the area. No known migratory bird nesting areas, strutting or breeding grounds, or fish-spawning areas would be impacted by proposed action.

Information Source: USFS

G. Land Uses

1. General: Timber cutting, recreation and minor grazing are the major land uses. The amount and the quality of land available to livestock, wildlife, and recreationists would be reduced. Timber access would be improved.

Information Source: Field observation.

2. Affected Floodplains and/or Wetlands: N/A

Information Source: Field observation.

H. Aesthetics: Operation would not blend with natural surroundings. Most likely unappealing to recreationists. Impact duration: life of well.

Information Source: Field observation.

I. Socioeconomics: The effect of one well on local and regional population and economy would be considered minor. If major discovery, then consider: Population increase, community services taxed, resources depleted, cumulative impacts multiply, pipelines and transportation routes expand.

Information Source: G. Doyle, Environmental Scientist, USGS.

J. Cultural Resources Determination: Based on the field comments received from the USFS on August 8, 1980, we determine that there would be no effect on cultural resources subject to no stipulations.

Information Source: U. S. Forest Service

K. Adequacy of Restoration Plans: Rehabilitation plan meets the minimum NTL-6 requirements and must meet further USFS requirements.

Information Source: G. Doyle, Environmental Scientist, USGS.

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.

2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:

a. About 2.18 acres of vegetation would be removed, increasing and accelerating erosion potential.

b. Pollution of groundwater systems ^{could} would occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.

c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.

d. The potential for fires, leaks, spills of gas and oil or water exists.

e. During construction and drilling phases of the operation, noise and dust levels would increase.

f. Distractions from aesthetics during the lifetime of the project would exist.

g. Erosion from the site would eventually be carried as sediment in the Escalante River. The potential for pollution would exist through leaks and spills.

h. If hydrocarbons would be discovered and produced, further development of the area could be expected to occur, which would result in the extraction of an irreplaceable resource, and further negative environmental impacts. These impacts include the cumulative loss of wildlife habitat due to the areas necessary for roads, pipelines, drillsites, and transmission lines. These actions may disrupt wildlife social behavior and force habitat relocation over an extended period of time. In addition, the cumulative effects of non-point erosion become substantial in a developing field, primarily those located near perennial streams where siltation and sedimentation are critical to aquatic life cycles.

i. Other: Wildlife and livestock could be endangered by toxic or hazardous fluids in the reserve pit if it is not properly fenced.

2. Conditional approval

a. All adverse impacts described in section one above would occur, except by fencing the reserve pit on three sides prior to drilling, and on the fourth side once the rig moves off, hazards posed by fluids to livestock and wildlife would be mitigated.

*T & E
& Arch Clearance
mitigating
from USFS*

Recommended Approval Conditions:

Drilling should be allowed, provided the following mitigative measures are incorporated into the proposed API and adhered to by the operator:

1. See attached Lease Stipulations.
2. See attached ^{USFS}~~BLM~~ Stipulations.
3. Fence reserve pit on three sides prior to drilling, and on the fourth side once the rig moves off.
4. Sample any water shows from the Navajo, the Wingate, and the White Rim Formations.

Controversial Issues and Conservation Division Response: None at present.

We have considered the proposed action in the preceding pages of this EA and find, based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly (40 CFR 1508.27) impact the quality of the human environment.

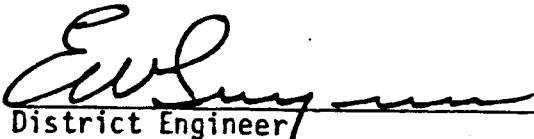
Determination

I determine that the proposed action (as modified by the recommended approval conditions) does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102(2)(C).

T&E & Arch Clear forthcoming from USFS

Note 9/8/80

Rec'd 9/11/80



District Engineer
U. S. Geological Survey
Conservation Division
Oil & Gas Operations
Salt Lake City District

9/17/80
Date

29-325-3E

Serial No.

U- 38347
Oil and Gas Lease

SURFACE OCCUPANCY STIPULATION

1. Lessee agrees not to enter upon the lease area or disturb the surface for exploration or drilling purposes until either:

- (a) An inventory of archeological, paleontological, and historical sites is made by the surface management agency or its designated representative, or
- (b) Lessee has made or caused to be made an inventory of all archeological, paleontological, and historical sites in those areas of the lease subject to development, occupancy, or surface disturbance. The survey must be made by a qualified archeologist acceptable to the surface management agency and the results of this survey provided to the surface management agency. Costs of this survey will be borne by the lessee. After inventory by either lessee's archeologist or the surface management agency, reasonable conditions of use will be prepared to protect the sites or salvage objects of antiquity in accordance with the Antiquities Act of June 8, 1906 (34 Stat. 225; 16 USC 431), and the Historical Sites Act of August 21, 1935 (49 Stat. 666; 16 USC 461-467). Costs of salvage of artifacts will be borne by the lessee and all objects of antiquity salvaged will remain the property of the U. S. Government.

2. No occupancy of the surface in the following areas is authorized by this lease. The lessee may employ directional drilling to develop the oil and gas resources under these areas, provided that such drilling or other works will not disturb the surface area or otherwise interfere with their use by the surface management agency. The areas to be excluded from surface occupancy unless specifically approved in the operating plan are:

- (a) Within 500 feet on either side of the centerline of any and all roads and/or highways within the lease area.
- (b) Within 200 feet on either side of the centerline of any and all designated trails within the lease area.
- (c) Within 500 feet of the normal high waterline of any and all streams, lakes, ponds, and reservoir located within the lease area.
- (d) Within 400 feet of any and all springs within the lease area.
- (e) Within 400 feet of any improvements either owned, permitted, leased, or otherwise authorized by the surface management agency.

ATLANTIC RICHFIELD COMPANY

AUG 7 REC

By: _____

Lessee

Attorney-in-Fact

Glenn

Natural Resources Input

June 7, 1980

2820 Leases and Permits
Arco-Escalante #2

Affected Environment

The present environment of the proposed project is one of a rehabilitated project that is stable for the most part. The prior drilling project consisted of an access road and drill pad. There has been some environmental degradation from plugged culverts and water running off the pad which head cut the road. However, the pad and access road have generally been revegetated and stabilized.

Effects of Implementation

Alternative "A" - No change

Same as "Affected Environment" section.

Alternative "B" - Allow access to existing pad location via the road up the Sand Creek drainage.

The vegetation and organic matter that has stabilized the existing facilities will be removed, thus setting plant succession back and rendering the site vulnerable to erosion. Wildlife sanctuary along this stream bottom will be interrupted for the project duration.

Improved drainage from project reconstruction will prevent some of the erosion that is now taking place.

Any time an area is opened up to a project and/or motor vehicle access, litter and foreign debris become an unsightly and sanitary problem.

Issues and Concerns

1. Destruction of existing vegetation within the road that has rehabilitated the disturbed site.
2. The removal of trees that have rehabilitated the existing drill pad.
3. Debris and litter that could be brought in by opening the area up.
4. Stability of facilities following completion of project.

Mitigating Requirements

1. The road will be bladed only where necessary to allow vehicles to travel safely; thus, leaving the existing vegetation and root crowns to rehabilitate the road. A draft hose will be used to transport water from the creek to the drill pad which will reduce vegetative damage due to excessive vehicular traffic.

2. The drill rig should be placed on the pad in a manner that will protect the larger ponderosa pine saplings that have inhabited the pad. Portable tanks will be used for water and mud storage to avoid excessive disturbance from pond construction.
3. All debris and litter brought into the area while the road is open will be the responsibility of ARCO.
4. Following completion of the drilling project the road and pad will be maintained, seeded, and closed to Forest Service standards. (Seed mixture: Crested wheat 5 lbs/ac, smooth brome 5 lbs/ac. and Russian wild rye 5 lbs/ac.)


MILLARD A. DUMAS III
Supervisory Forester

Affected Environment

The Arco-Escalante #2 drill site proposal is located approximately 1 1/2 miles up Sand Creek. The site was previously accessed and developed in the mid sixties when exploratory drilling was originally accomplished. An existing road extends from the Hells Backbone Road (F.S. #30153) to the existing pad location. The road has not been maintained for several years, but with the exception of several drainage problems, is in fair condition. The road traverses through a variety of soil types consisting mainly of sands and clays. Without surfacing, trafficability problems could be expected.

The Grimes Creek Timber Sale, which is scheduled to be sold in F.Y. 81, encompasses the area. The proposed road access to the pad location will be needed to harvest timber from the Sand Creek drainage when timber is harvested from the area.

Without the proposal the area will remain basically unchanged except for timber harvest activities. Washouts and plugged culverts would be corrected under the timber sale contract and erosion hazards would be lessened at that time.

Effects of Implementation

Alternative "A" - No change.

Same as "Affected Environment" section.

Alternative "B" - Allow access to existing pad location via road up Sand Creek drainage.

Access to the existing pad site can be readily provided by placing additional culverts and dips at designated locations and doing minor reshape and finish work to the existing road. The road is approximately 14 feet wide, contains both outsloped and ditched sections, and varies gradewise between 0 and 10%. A thin shale type surfacing has been placed on select portions of the road and should be adequate for limited use.

The first live water crossing has washed out and will require the re-installation of a 24" culvert. The culvert existing at the washout appears to be in good condition and may be adequate for re-installation if it proved to be undamaged when its removed. The flow of the stream should be diverted back into its original channel and the roadbed reshaped to its original cross-section.

In two places, side drainages enter the roadway in through cut sections. The first of these areas should be dipped at the wash location, and ditched along the lower side of the road to the drainage just below the wash area.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-38350
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Mid-Continent Oil & Gas Reserves, Inc.		7. UNIT AGREEMENT NAME Death Hollow Unit
3. ADDRESS OF OPERATOR 12700 Park Central Pl., Suite 1404, Dallas, TX. 75251		8. FARM OR LEASE NAME Charger
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface SW/4NW/4W/2, Sec. 32, T32S, R3E SLM At proposed prod. zone same		9. WELL NO. Charger #5
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 18.1 miles north of Escalante, Utah		10. FIELD AND POOL, OR WILDCAT Sunrise Field
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig unit lbe, if any) 762'		11. SEC., T., R., N., OR BLK. AND SURVEY OR AREA Sec. 32, T32S, R3E
16. NO. DIVISION OF OIL & GAS & MINING 488		12. COUNTY OR PARISH Garfield
17. NO. OF ACRES ASSIGNED TO THIS WELL 80+		13. STATE Utah
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. -		19. PROPOSED DEPTH 3800'
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START June 1, 1985
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 9204.6 GR		

prevention program, if any.

24.

SIGNED

(This space for Federal or State office use)

PERMIT NO.

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

TITLE President

DATE

APPROVAL DATE

TITLE DISTRICT MANAGER

DATE

CONDITIONS OF APPROVAL
ATTACHED TO OPERATORS
COPY

*See Instructions On Reverse Side

NOTICE OF APPROVAL

FLAIRING OR VENTING
OF GAS IS SUBJECT TO
NTL4-A DATED 1/1/80

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company: Mid-Continent Oil & Gas

Well No: Charger 5

Location: Sec. 32, T.32S., R.3E.

Lease No: U-38350

S1/2 SW1/4 NW1/4

RECEIVED

JUL 12 1985

A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE

**DIVISION OF OIL
GAS & MINING**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR 3160), approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned shall be identified in accordance with 43 CFR 3162.6. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (Form 3160-5). Unless the plugging is to take place immediately upon receipt of oral approval, the District Manager must be notified at least 48 hours in advance of the plugging of the well in order that the representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form 3160-5) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a followup report on Form 3160-5 should be filed when all surface restoration has been completed and the location is considered ready for final inspection.

4. The spud date will be reported orally to the respective District Manager's office within 48 hours after spudding. If the spudding occurs on a weekend or holiday, wait until the following regular workday to make this report.

Periodic drilling progress reports must be filed directly with the District Office on a frequency and form or method as may be acceptable to the District Manager.

In accordance with NTL-1, this well must be reported on Form 3160-6 "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed, in duplicate, directly with Royalty Management Accounting Center, Minerals Management Service, P.O. Box 2859, Casper, Wyoming 82602.

Any change in the program must be approved by the District Manager. "Sundry Notices and Reports on Wells" (Form 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.4.1. Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alteration of the facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground will require the filing of a suitable plan pursuant to NTL-6, and prior approval by the District Manager.

5. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 15 days after completion of the well or after completion of operations being performed, in accordance with Onshore Oil and Gas Order No. 1; VIII. Reports and Activities Required after Well Completion. Two copies of all logs run, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluid, and/or gas) will be submitted only when requested by this office.
6. Significant surface values are not involved at this location. Accordingly, you must notify the District Manager at least 24 hours prior to commencing field operations to allow this office to have personnel present for consultation during the construction of roads and locations.

The Cedar City District Office Address is:

1579 North Main, Cedar City, Utah 84720
(801) 586-2401

Your contact is: Theron Mitchell
Office Phone: (801) 586-2401
Home Phone (801) 826-4347 or 586-2719

7. Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes but is not limited to such items as road construction and maintenance, handling of top soil and rehabilitation.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Manager's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact this office 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.
12. This Application for Permit to Drill is approved subject to the requirement that, should the well be successfully completed for production, this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communications, and must be received in this office by not later than the first business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address and telephone number.
 - b. Well name and number.
 - c. Well location ($\frac{1}{4}$, $\frac{1}{4}$ Section, Township, Range and Prime Meridian).
 - d. Date was placed in a producing status.
 - e. The nature of the well's production, i.e. crude oil, or crude oil and casinghead gas, or natural gas and entrained liquid hydrocarbons.
 - f. The OCS, Federal or Indian lease prefix and number of which the well is located, otherwise, the non-Federal or non-Indian land category, i.e. State or private.
 - g. If appropriate, the unit agreement name, number and participating area name.
 - h. If appropriate, the communication agreement number.

SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

1. The Forest Service representative (David Dallison, (801) 826-4221) will be notified at least 48 hours prior to any surface disturbing activities associated with new access roads or drill pad location. A representative of the Forest Service will be present before construction activity begins to review and explain surface protection stipulations with the operator and/or dirt work contractor.
2. Mid-Continent shall designate a representative from the company who will be available on site to insure complete compliance with all stipulations. Forest Service and the Bureau of Land Management shall be given the name of the responsible individual.
3. The Mid-Continent representative shall insure that all individuals working at or near the location are aware of and comply with all applicable stipulations.
4. Mid-Continent will conduct a cultural resource survey. This survey will be done by a Forest Service approved archaeologist prior to any ground disturbing activities.
5. If subsurface cultural material is exposed during construction, work will stop immediately in that spot and the Escalante Ranger Station will be contacted.
6. The access road will be constructed in accordance with these stipulations and the BLM/FS/GS Surface Operating Standards and Forest Service "Standards for low volume, intermittent use, specified local roads." The access road shall be constructed where flagged with total surface disturbance for the roadbed and drainage confined to a maximum of 18 feet. Drainage across the road shall be provided for at such intervals as to prevent gullying on the downslope side of the road. Road berms shall be pulled in. The road grade should be rolled with the surface of the ground as much as possible to provide natural drainage. Additional specific construction procedures may be provided by the Forest Service representative during construction.
7. Clearing should be kept to a minimum to maintain vegetative screening of the road. Logs, removed during location construction, should be decked at the edge of the old Phillips pad or along the access road. Stumps should be buried in the reserve pit and the slash lopped and scattered.
8. Ponderosa pine regeneration will be protected at the north end of the compressor pad.
9. A deposit of \$1,247.28 will be made to the USDA-Forest Service for the user's share of road maintenance and surface rock replacement.
10. Trailers for housing and office use will be parked on the old Phillips pad.
11. A survey is required for sensitive plants that exist in the area prior to any ground disturbing activities. There are no known threatened or endangered species of flora or fauna or their critical habitat in the area.

12. Topsoil from the location will be incorporated into the fill in such a way that it can be spread back over the location during reclamation.

13. Capping material can be removed from the Cowpuncher pit, if needed.

14. Cleanup of all trash and debris brought into the area during drilling will be the responsibility of Mid-Continent Oil and Gas. Garbage or burn pits will not be allowed. Mid-Continent shall cooperate with other right-of-way holders along access routes to insure that litter is collected and removed.

15. Mud pits shall be based in at least four feet of cut material, that is with at least four feet of the pit below the existing ground surface, with any embankment of fill material key seated to ensure pit stability and fluid retention. Lining of pit is not considered necessary.

16. Reclamation shall include contouring of the pad to blend with land-forms in the general area, redistribution of topsoil and seeding. Seeding shall be accomplished during the period of September to December. A seed mix and seeding method will be provided by the Forest Service with the advent of reclamation.

17. Any production facilities will be painted a single, low gloss, pastel color that will blend with the color of soils, rock or vegetation. Color will be approved by the Forest Service.

18. Upon completion of drilling operations, the Cedar City District Office shall be notified of production and/or reclamation plans so that an inspection may be conducted to determine if mitigating measures in addition to those included in the surface use plan or presented hereby are necessary.

19. An H₂S Contingency Plan will be submitted by Mid-Continent and approved by the BLM prior to any ground disturbing activity.

OPERATOR Mid-Continent Oil & Gas Reserve Inc DATE 5-22-85
WELL NAME Death Hollow Unit Charge 5
SEC SWNW 32 T 32S R 3E COUNTY Shelfield

43-017-30129
API NUMBER

fed
TYPE OF LEASE

CHECK OFF:

☒

PLAT

☒

BOND

☒

NEAREST WELL

☒

LEASE

☒

FIELD

☒

POTASH OR
OIL SHALE

PROCESSING COMMENTS:

POD not needed - not productive unit.
Need water permit

APPROVAL LETTER:

SPACING:

☒

A-3

Death Hollow
UNIT

☐

c-3-a

CAUSE NO. & DATE

☐

c-3-b

☐

c-3-c

STIPULATIONS:

1- water



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 24, 1985

Mid-Continent Oil & Gas Reserves, Inc.
12700 Park Central Place, Suite 1404
Dallas, Texas 75251

Gentlemen:

Re: Well No. Death Hollow Unit Charger 5 - SW NW Sec. 32, T. 32S, R. 3E
2556' FNL, 762' FWL - Garfield County, Utah

Approval to drill the above referenced gas well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695 or R. J. Firth, Associate Director, (Home) 571-6068.

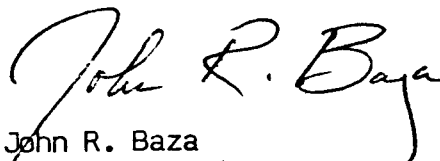
Page 2

Mid-Continent Oil & Gas Reserves, Inc.
Well No. Death Hollow Unit Charger 5
May 24, 1985

4. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-017-30129.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza". The signature is written in dark ink and is positioned above the printed name and title.

John R. Baza
Petroleum Engineer

as
Enclosures
cc: Branch of Fluid Minerals

9-24-83

BLM states that lease
is terminated & they are
in process of rescinding
APD. We can wait
for verification from
Cedar City District
before we take action

JRB

Pam,
Please put a copy of John's
note and the file label in
the suspense file for Nov 1.

Inf,
Pam



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO

3160/U-38350
API 43-017-30129
UT-042

Cedar City District Office
P. O. Box 724, 1579 North Main
Cedar City, Utah 84720
(801) 586-2401

OCT 01 1986

Utah Division of Oil, Gas and Mining
355 W. North Temple
3 Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Re: Status of Well #5 Charger (API 43-017-30129)

Recently your office requested information on the status of Well #5 Charger (API 43-017-30129) located in T. 32S., R. 3E., SWNW Sec. 32 (O/G lease U-38350).

An application for permit to drill this well was approved on July 9, 1985, for a period of one year. However, the lease expired on March 24, 1986 without any attempt being made to drill the well. The application for permit to drill was automatically rescinded at the time the lease expired.

If you need additional information concerning this well, please contact Paul Carter at 586-2401.

Dennis Curtis

ACTING

District Manager

RECEIVED
OCT 02 1986

**DIVISION OF
OIL, GAS & MINING**



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

101501

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 6, 1986

Mid-Continent Oil and Gas Reserves, Inc.
12700 Park Central Place
Suite 1404
Dallas, Texas 75251

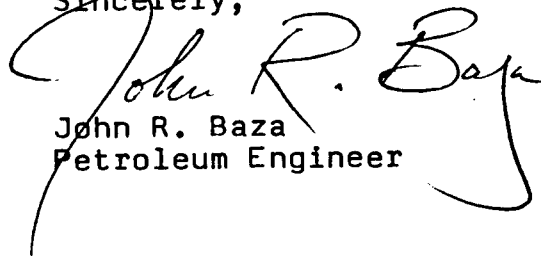
Gentlemen:

RE: Well No. Death Hollow Unit Charger #5, Sec.32, T.32S, R.3E
Garfield County, Utah, API NO. 43-017-30129

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,



John R. Baza
Petroleum Engineer

sb
cc: BLM-Cedar City
D. R. Nielson
R. J. Firth
Well file
0327T-6